Parameter	CRAR	NetNPA	Profitability	CRR/SLR Compliance
Grade IV	CRAR falls below 50% of prescribed CRAR and	15% or more or	Net losses as per Balance Sheet for the last 3 consecutive financial years	

err: Cash Reserve Ratio; SLR Statutory Liquidity Ratio

crar: Capital Risk Adequacy Ratio; NPA: Non-Performing Assets.

Lifting of excise duty on molasses

1425. SHRI T.S. BAJWA: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the domestic liquor industry has sought lifting of excise duty on molasses and abolition of customs duty on imported molasses due to steep fall in production of sugarcane and hike in prices of molasses in international market;

(b) if so, the details thereof;

(c) whether Government have taken any decision on the demand of liquor industry; and

(d) if so, the details thereof and if not, the reasons therefor?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) and (b) Yes, Sir. Among others, All India distillers Association and Confederation of Indian Alcoholic Beverage Companies had requested that customs and excise duty on molasses should be waived.

(c) and (d) Government has reduced customs duty on molasses from 15% to 10%. Keeping in view the increase in prices of molasses since 1997 (When excise duty was fixed @ Rs 500 PMT), excrise duty on molasses has been increased from Rs. 500 PMT to Rs. 1000 PMT.

Opening of bank branches in M.P. and Chhattisgarh

†1426. SHRI DILIP SINGH JUDEV: Will the Minister of FINANCE be pleased to state:

(a) the district head quarters in Chhattisgarh and Madhya Pradesh having only one Nationalised Bank located over there;

†Original notice of the question was received in Hindi.

(b) if so, the reasons therefore;

(c) the names of districts of these States whose demands for setting up branches of other banks than the present ones are pending; and

(d) since when the demand for the fulfilment of this requirement in Jashpur district head quarter (Chhattisgarh) is being made alongwith details of action taken in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) and (b) The Reserve Bank of India (RBI) has reported that the District Headquarters of Bastar, Dantewara, Jashpurnagarand Korea colliery in the State of Chhattisgarh are having only one branch each of Public Sector Banks (PSBs). However, in the state of Madhya Pradesh, all its district headquarters have got more than one branch of PSBs.

As per the RBI's extant branch expansion policy it is left to the discretion of the banks to identify the locality/centre for opening of additional bank branches and they do so after taking into consideration certain factors such as business potential, viability, infrastructure, security etc.

(c) and (d) There was demand for opening of a branch of Central Bank of India or any other Nationalised Bank in Jashpumagar (Chhattisgarh) in February, 2004. The Central Bank of India has however regretted its inability to open a branch there.

Separate framework for Co-operative Banks

1427. SHRI B.J. PANDA: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that Government propose to go in for merger of public sector banks;

(b) if so, details of the merger plan;

(c) whether Government propose to work out a separate framework for Co-operative Banks with a view to free them from supervision of multiple agencies; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRIS.S. PALANIMANICKAM): (a) and (b)Any proposal for consolidation by way of merger among public sector banks has to come from the